



South Carolina Department of Insurance

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JIM HODGES
Governor

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Director of Insurance

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MEMORANDUM

To: Insurers Writing Credit Accident and Health Insurance in South Carolina in Conjunction Consumer Credit Transactions subject to the South Carolina Consumer Protection Code (S.C. Code Ann. § 37-1-101 et seq.), Other Than Loans Made Under Act 988 of 1966

From: Deputy Director & General Counsel
South Carolina Department of Insurance

Subject: Tentative Rates for Such Insurance Effective January 1, 2002

The South Carolina experience for the past five years for the above described credit accident and health insurance has been reported as shown in the following tables:

14-Day Retro					
Year	Earned Premiums	Incurred Losses	Actual Loss Ratio	Adjusted Premium*	Adjusted Loss Ratio
1996	37,666,662	18,339,244	48.7%	37,905,544	48.4%
1997	37,119,023	16,197,701	43.6%	37,119,023	43.6%
1998	28,942,339	15,827,468	54.7%	26,265,553	60.3%
1999	32,889,175	17,750,136	53.9%	30,418,232	58.3%
2000	27,133,867	15,141,491	55.8%	23,665,488	64.0%
Total	163,751,066	83,256,040	50.8%	155,373,840	53.6%

* The adjusted premium is that premium which would have been earned if all premiums were on the same rate basis as that currently in effect for 2001.

Since the accumulated loss ratio meets the benchmark loss ratio of 50%, the tentative rates proposed for 2002 are unchanged from the 2001 rates.

30-Day Retro					
Year	Earned Premiums	Incurred Losses	Actual Loss Ratio	Adjusted Premium*	Adjusted Loss Ratio
1996	9,256,837	5,254,362	56.8%	8,315,544	56.4%
1997	8,419,710	4,955,628	58.9%	8,547,534	58.0%
1998	7,165,145	4,518,857	63.1%	6,910,450	65.4%
1999	9,014,983	5,080,334	53.9%	8,023,542	58.3%
2000	8,126,820	5,268,426	64.8%	7,117,829	74.0%
Total	41,983,495	25,077,607	59.7%	38,914,899	64.4%

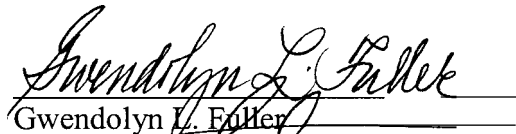
Since the accumulated loss ratio meets the benchmark loss ratio of 50%, the tentative rates proposed for 2002 are unchanged from the 2001 rates.

The tentative single premium rates per \$100 of initial indebtedness proposed for 2002 for both types of insurance are listed below for your convenience:

<i>Period</i>	<i>14-Day Retro</i>	<i>30-Day Retro</i>
12 Months	\$1.70	\$1.60
24 Months	2.30	2.20
36 Months	2.90	2.80
48 Months	3.40	3.30
60 Months	3.90	3.80
72 Months	4.30	4.20
84 Months	4.70	4.60
96 Months	5.00	4.90
108 Months	5.30	5.20
120 Months	5.60	5.50
132 Months	5.90	5.80
144 Months	6.10	6.00
156 Months	6.30	6.20
168 Months	6.50	6.40
ISO Months	6.70	6.60

For periods which do not equal an integral number of years, the rates may be interpolated to the upper quarter of a year but finer interpolations will be permitted to the equivalent of the nearest month. Thus, for example, the rates for a period from 0 to 3 months for the 14-day plan would be one-fourth of \$1.70 or \$.43.

25A S.C. Code Regulations 69-11.1 (1989) provides that any insurer which feels aggrieved by the proposed rate shall have 15 days to request a hearing with respect to such rate. After all such hearings have been held, the final rate or an affirmation of the tentative rate shall be sent to all companies before October 1, 2001.


Gwendolyn L. Fuller
Deputy Director & General Counsel

Columbia, South Carolina
August 1, 2001



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MEMORANDUM

To: Insurers Writing Credit Accident and Health Insurance in South Carolina
in Conjunction with Act No. 988 of 1966

From: Deputy Director & General Counsel
South Carolina Department of Insurance

Subject: Tentative Rates for Such Insurance Effective January 1, 2002

The South Carolina experience for the past five years for the above described credit accident and health insurance has been reported as shown in the following table:

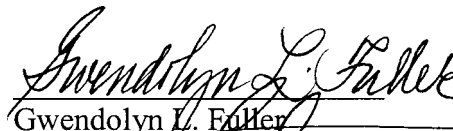
3-Day Retro					
Year	Earned Premiums	Incurred Losses	Actual Loss Ratio	Adjusted Premium*	Adjusted Loss Ratio
1996	3,214,770	1,004,380	31.2%	3,195,160	31.4%
1997	4,586,272	1,704,848	37.2%	4,801,784	35.5%
1998	3,498,526	1,499,428	42.9%	3,588,695	41.8%
1999	2,945,567	1,176,553	39.9%	3,323,172	35.4%
2000	2,961,173	1,048,086	35.4%	3,355,957	31.2%
Total	17,206,308	6,433,295	37.4%	18,264,768	35.2%

* The adjusted premium is that premium which would have been earned if all premiums were on the same rate basis as that currently in effect for 2001.

Since the aggregate loss ratio for all credit accident and health insurance meets the benchmark loss ratio of 50%, the tentative rate proposed for 2002 is unchanged from the 2001 rate of \$31 per year per \$5.00 unit of monthly indemnity.

25A S.C. Code Regulations 69-11.1(1989) provides that any insurer which feels aggrieved by the proposed rate shall have 15 days to request a hearing with respect to such rate. After all such hearings have been held, the final rate or an affirmation of the tentative rate shall be sent to all companies before October 1, 2001.

Columbia, South Carolina
August 1, 2001


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